

# We put risk first.

Strategic Risk Management is at our core. On the Dynamic Portfolio Services team, it's at the heart of all we do for our wealth advisors and their clients across all life stages.

“The essence of portfolio management is the management of RISKS, not the management of RETURNS. Well-managed portfolios start with this precept.”

**BENJAMIN GRAHAM (1894-1976)**  
Economist known as the “father of value investing”



## 4 Steps to Strategic Risk Management

1

### Client Risk

Dynamic's proprietary Risk Tolerance Questionnaire (RTQ) measures your client's ability AND willingness to take on risk.

#### ABILITY

- Investment Purpose and Objective
- Time Horizon
- Spending and Withdrawal Plans

#### WILLINGNESS

- Market Volatility Tolerance
- Emotional Capacity for Losses
- Behavioral Attitude Toward Risk and Return

#### Willingness to take on risk:

/ˈwɪl ɪŋ nɪs • tuː • tɜrk • ɑːn • rɪsk/

A behavioral finance concept that evaluates an investor's emotional capacity to handle risk. The advisor's goal is to find investment solutions with which an investor is comfortable and less likely to make irrational decisions at the detriment of long-term retirement goals.

2

### Underlying Investment Risk

Dynamic evaluates the risk of all your client's underlying investments to help determine appropriate fit and allocation.

- ☒ ASSET CLASSES
- ☒ MUTUAL FUNDS
- ☒ ETFs
- ☒ STOCKS
- ☒ BONDS

3

### Portfolio Risk

In addition to stock/bond ratio, we monitor key risk measures (beta, standard deviation, max drawdown, etc.) and utilize third party research tools such as Riskalyze and Morningstar to help evaluate and stress-test Dynamic portfolios to ensure consistent risk exposures.

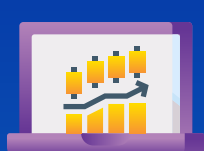
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### Client Confidence

There are no surprises! Dynamic's risk management is designed to provide stability for portfolios and provide reassurance for clients that their investments will behave as expected, regardless of market conditions.

Clients are comfortable with their investments, ultimately staying invested for the long-term and improving their chances of reaching their investment goals.

By aligning a client's risk tolerance with an appropriate portfolio, an advisor will:



**PROVIDE THE  
POTENTIAL TO STAY  
INVESTED THROUGH  
MARKET DOWNTURNS**



**ENHANCE THE LENGTH  
OF TIME INVESTMENTS  
CAN PARTICIPATE IN  
THE MARKETS**



**IMPROVE THE  
CHANCES OF  
REACHING A CLIENT'S  
FINANCIAL GOALS**

Schedule a demo today to find out how Dynamic's Strategic Risk Management philosophy can help your investor clients reach their long-term goals.

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